



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

The Special Direction to the British Columbia Utilities Commission
by the Lieutenant Governor in Council through
Order in Council 1510, dated December 13, 1995

and

An Application by Centra Gas British Columbia Inc.
for Approval of an Industrial Gas Sales Agreement with
Tayco Paving Company and Duncan Paving Company

BEFORE: P. Ostergaard, Chair)
L.R. Barr, Deputy Chair) October 5, 2000
K.L. Hall, Commissioner)

O R D E R

WHEREAS:

- A. The Commission, by Order No. G-49-99, approved for Centra Gas British Columbia Inc. ("Centra Gas") an Industrial Gas Sales Agreement with Tayco Paving Company ("Tayco Paving") (a division of O.K. Industries Ltd.), for the supply of gas to Tayco Paving's asphalt production facilities located in Cumberland, B.C. through a take-or-pay contract over a ten-year period effective April 14, 1999; and
- B. On August 24, 2000, Centra Gas applied to the Commission for approval of a new Industrial Gas Sales Agreement with Tayco Paving ("the New Agreement") that would replace the April 21, 1999 Agreement and would provide for an additional supply point to O.K. Industries' Duncan Paving Company ("Duncan Paving") asphalt plant at Duncan, B.C., effective with consumption commencing September 25, 2000; and
- C. On September 20, 2000, Centra Gas provided the Commission with additional information on the New Agreement; and
- D. The New Agreement provides for the delivery of gas to Tayco Paving's Cumberland and Duncan Paving's Duncan, B.C. asphalt plants with minimum take-or-pay annual volumes of 15,000 GJs to April 14, 2009, decreasing to 9,000 GJs per year until September 25, 2015. The sales rate that Tayco Paving and Duncan Paving will pay is based on the LGS-13 rate consistent with the prior agreement with a 10 percent discount for summer volumes from April 1 to October 31 and a 10 percent premium for winter consumption from November 1 to March 31; and

E. The Commission has reviewed the New Agreement and finds that it should be approved.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves for Centra Gas the August 21, 2000 Industrial Gas Sales Agreement and Appendix A Terms and Conditions with Tayco Paving and Duncan Paving for service to the Cumberland and Duncan, B.C. asphalt plants, effective September 25, 2000.
2. The Commission approves the termination of the April 21, 1999 Industrial Gas Sales Agreement with Tayco Paving and Gas Tariff, First Revision Page 83 for Tayco Paving, effective September 25, 2000.
3. Centra Gas is to file a Gas Tariff Rate Schedule consistent with Appendix B in the new Tayco Paving and Duncan Paving Industrial Gas Sales Agreement in a timely manner.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of October 2000.

BY ORDER

Original signed by:

Peter Ostergaard
Chair